



Dedicated to the conservation and improvement of Montana's parks, recreation, trails, rivers and historic sites

To the Environmental Quality Council,

09/12/11

Dear Legislators and Public Members,

**Background** - You are involved in important decisions that can result in stronger economic development, tourism and historic preservation for our State. Your focus is one that we have had great interest in since the Virginia and Nevada City legislation over a decade ago. Joint Resolution 32 does a good job of laying out the importance of our State Park Programs.

It is appropriate to point out that history is important to Montanans and as our citizen population ages heritage tourism is becoming a principle reason Montana visitors use to select their travel destinations. A wealth of cultural and historic properties in our state are managed within our state parks system or by the Heritage Preservation and Development Commission (Heritage Commission).

Tourism in Montana is totally dependent on the quality of our outdoor resources and protection of our cultural heritage resources. It is important to understand the difference between tourism and industries like agriculture, which operate mostly off of private land resources. A good share of tourism resources that currently draw people to Montana are the National Parks, BLM and National Forests and State Parks. It is not an over statement that tourism in Montana is dependent on government decisions and actions. The private sector with its hotels, restaurants, retail establishments, campgrounds, guides and much of our service industries exist only because of these basic public sector outdoor and cultural resources. These are what visitors come to Montana to enjoy.

According to a 2002 study done by the Institute for Tourism and Recreation Research (ITRR), 64% of vacationers coming to Montana in 2001 visited Yellowstone Park and 43% visited Glacier. Expansion of tourism in Montana will not come about because of significant expansion of capacity in Yellowstone and Glacier. Some people feel that capacities in those two National Parks are being stretched already. Watching wildlife (50%), day hiking (46%), picnicking (36%),

history (35%) and visiting museums (25%) are the most the important activities for our visitors. The good news is that Montana has a wealth of those opportunities all over the state. Therefore, we have good potential to expand economic development with tourism. Many small towns in Montana cry out for diversification.

A 2010 study by the Bureau of Business and Economic Research found, "Nonresident visitors to state parks spent 122.3 million dollars and produce 1600 jobs in Montana...." Professor Tom Powers points out that the economic base for employment over the last several decades for natural resource extraction industries has fallen to just 5 percent.

Tourism is heralded as the number 2 industry in the state. Actually the number one industry in the state is the service industry (that includes banking and insurance) followed by agriculture and tourism. Whether we like it or not we are a service industry state.

As the State considers economic development we would be wise to have a strategy that focuses on travel and tourism. There should be a consolidation of State activities in the interest in better planning, saving money, avoiding duplication and increasing efficiency. This would also improve the interdisciplinary expertise in the State and ability in all activities. The main point is that we need to start the process of strengthening State government to deal effectively with thoughtful of expansion of outdoor and cultural heritage tourism.

**A key question** for the Council is what is the best and most efficient strategy to manage and sustain our State Park system and historic properties, including those managed by the Heritage Commission?

Consider the fact that 19 of our State Parks are historic and cultural in nature. That includes 3 ghost towns, including Bannack. Many responsibilities of both the Heritage Commission and the State Parks are duplicated. Both agencies manage ghost towns, own equipment, have payroll, manage employees, have volunteers, manage and protect public property, face fiscal issues, and the list goes on. Both agencies have need for unique skills, such as historians, building restorers, business controls and inventory managers. These are agencies that both work for the citizens of Montana.

A report to the Montana Legislature, at the request of the legislative audit Committee, had a very specific recommendation to the Legislature relative to this issue. They recommend:

*"We believe a transfer of Virginia City and Nevada City management to the Parks Division warrants legislative consideration for several reasons including:*

- No other government operation appears to have a site management system that is as comprehensive and compatible*
- Stakeholders are frustrated with the current lack of structure/business approach.*



- *Similar operations across the nation are operated as state parks and operation will likely become effective in addressing planned development and preservation goals*
- *A transfer in management responsibilities would clear the current dual management roles and streamline state governance of these historical sites."*

Fish Wildlife and Parks is a well seasoned and competent arm of State Government. Their management systems are well developed, such as finance, personnel, performance monitoring and property control. Their managers are well schooled in the management of natural resources, dealing with interested public and utilization of large volunteer groups. Audits done for the legislature indicate this is not the case for the fledgling Heritage Commission.

The Department of Commerce also is a well developed and competent agency. They have important skills in outreach and promotion that are helpful to the State Parks. However, the work of Commerce is significantly different than the task of managing natural resources and heritage properties. Parks are not a natural fit in the Department of Commerce.

**Recommendation - We strongly recommend that the functions and properties of the Montana Heritage Preservation Commission be placed in the State Park system and managed within Fish Wildlife and Parks.**

**Another serious question** is how governance should be accomplished within Fish Wildlife and Parks.

The extent to which fish and game issues demand attention from the Fish, Wildlife and Parks Commission, the Governor and the Legislature is significant. The public's focus on fish and game issues results in a "back seat" for state parks on legislative, management and governance needs. The lack of Commission focus may miss opportunities for some things of import to tourism and history. A Commission that is overwhelmed with the tough issues of game and fish administration has little time for State Parks. Adding more and difficult responsibilities to the FWP Commission would not be prudent.

Yet, the State citizens value advisory Boards and Commissions. The current Heritage Commission is composed of 14 highly respected and knowledgeable citizens. They meet only 4 times a year; not much considering the difficult issues facing Virginia City and Nevada City. The Director of State Parks participates in that Heritage Commission.

Coordination between the Divisions of State Parks and Fish and Wildlife is important. This coordination will continue to be important under any management scheme. Coordination on functions such as law enforcement, resources planning and administrative support will always need attention and sometimes at Commission or Board levels. Recent management alignment within the State Parks Division has strengthened management accountability but also demands more careful coordination between divisions at all levels of the organization.

The need for a Board that has the responsibility for State Parks is evident, particularly with the addition of Virginia and Nevada City to the State Parks. Consideration must also be given to the need for coordination within the Department.

**Recommendation - A separate independent Board should be established for the Division of State Parks. This Board could be chaired by the individual that chairs the Fish and Game Commission or a separate individual. The Board would serve the functions of advising the Director on policy, rules, fees and other matters currently done by the Heritage Commission. The Board would be made up of 6 to 8 people with a variety of backgrounds, including recreation and park management, heritage resource management, tourism and economic development. Consideration could be given to include representation from Travel Montana and the Tourism Advisory Council and the Historical Society.**

We thank you for your consideration of these ideas and stand ready to assist in whatever manner you deem appropriate.

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